

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ST. JUDE MEDICAL, CARDIOLOGY
DIVISION, INC., ST. JUDE MEDICAL
SYSTEMS AB, and ST. JUDE MEDICAL
S.C., INC.,

Plaintiffs and
Counterclaim Defendants,

v.

VOLCANO CORPORATION,

Defendant and
Counterclaimant.

hms 1/6/2014
FILED UNDER SEAL

C. A. No. 10-631-RGA-MPT

**STIPULATED DISMISSAL OF VOLCANO'S DAMAGES
AND WILLFUL INFRINGEMENT CLAIMS RELATING
TO ST. JUDE'S PRESSUREWIRE 4 AND 5 PRODUCTS**

WHEREAS, on September 20, 2010, Volcano Corporation filed an answer and counterclaim alleging infringement of United States Patent No. 6,976,965 (the '965 Patent) by St. Jude Medical, Cardiology Division, Inc., St. Jude Medical Systems AB, and St. Jude Medical S.C., Inc. ("St. Jude");

WHEREAS, on October 4, 2012, the Court issued an Order construing disputed terms of the patents-in-suit, including the '965 Patent, and as to the '965 Patent construed the terms (1) "hole ... such that a portion of the pressure sensitive region is disposed opposite the hole"; (2) "distal extremity of the guidewire" and (3) "mounted within the sensor housing such that the pressure sensitive region projects into the lumen";

WHEREAS, on October 12, 2012, the Court issued an Amended Order regarding the construction of the disputed terms of the patents-in-suit, which did not alter the Court's previous construction of the three disputed terms of the '965 Patent;

WHEREAS, on October 22, 2012, without waiving their rights of appeal, the parties stipulated that St. Jude's PressureWire 4 and PressureWire 5 met the limitations of claims 1, 4, and 5 of the '965 Patent as the terms of that patent were construed by the Court;

WHEREAS, on January 14, 2014, a trial was scheduled to commence concerning the amount of damages St. Jude may owe to Volcano for PressureWire 5 sales made by St. Jude's predecessor, Radi (based on the October 22, 2012 stipulation), and whether St. Jude's infringement of the '965 Patent as stipulated was willful;

WHEREAS, the parties have reached an agreement conditionally resolving Volcano's claims for damages relating solely to infringement of the asserted claims of the '965 Patent by St. Jude's PressureWire 4 and PressureWire 5 products and the damages associated with that infringement. Subject to that agreement, St. Jude agrees that it owes Volcano three hundred ninety five thousand dollars (US \$395,000) in full settlement ("Amount Owed").

WHEREAS, the parties have agreed that any payment of the Amount Owed by St. Jude to Volcano shall not be made until a final resolution of this case, including any appeal.

WHEREAS, the parties have agreed that payment of the Amount Owed shall not be made if construction of one or more of the three disputed terms of the '965 Patent is changed by a subsequent judicial decision, or if the '965 Patent is found unenforceable and that finding is affirmed on appeal. In the event of a claim-construction change, the parties shall meet and confer concerning the need for further proceedings to determine whether St. Jude's PressureWire 4 and PressureWire 5 products infringe the asserted claims of the '965 Patent under the changed construction and the damages associated with any such infringement. The parties agree that, if none of the constructions of the three disputed terms of the '965 Patent is changed by a subsequent judicial decision, and if the '965 Patent remains enforceable, payment of the Amount

Owed shall be made within thirty days of entry of a final order confirming the construction of the three terms of the '965 Patent and that each Party shall bear its own costs and fees associated with the '965 Patent as they pertain to litigation of St. Jude's PressureWire 4 and PressureWire 5 products.

Accordingly, the parties request:

1. That St. Jude's motion for summary judgment of no willful infringement (D.I. 558), St. Jude's motion for partial summary judgment of no damages for insufficient marking (D.I. 581) and St. Jude's motion for partial summary judgment limiting lost profits damages (D.I. 582), be denied without prejudice as moot.
2. That Volcano's Motion to Exclude Improper Expert Testimony of Dr. Arthur L. Rosenthal (D.I. 584), and St. Jude's Motion to Exclude Improper Opinion Testimony (D.I. 590), be denied without prejudice as moot.

And the parties note that:

3. St. Jude's counterclaim and affirmative defense of inequitable conduct and request for a bench trial, and Volcano's motion for summary judgment of no unenforceability for inequitable conduct or, in the alternative, for a ruling on the merits of St. Jude's unenforceability defense without a hearing (D.I. 477), remain pending, and are the only remaining issues requiring Court action before this case can be appealed.

/s/ Steven J. Fineman

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Dated: January 6, 2014

SO ORDERED this 6th day of Jan, 2014


United States District Judge